

**Senate File 2125 - Introduced**

SENATE FILE 2125

BY CHELGREN

**A BILL FOR**

1 An Act relating to delayed deposit services by limiting the  
2 annual percentage rate for fees, and making penalties  
3 applicable.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 533D.9, subsection 2, paragraph b, Code  
2 2018, is amended to read as follows:

3 b. The annual percentage rate as computed pursuant to the  
4 federal Truth in Lending Act. The annual percentage rate shall  
5 not exceed thirty-six percent.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with  
8 the explanation's substance by the members of the general assembly.

9 Current law allows a person licensed to operate a delayed  
10 deposit services business to charge certain fees, charges,  
11 and penalties in connection with a delayed deposit services  
12 transaction. This bill limits the annual percentage rate  
13 applicable to a delayed deposit services transaction to 36  
14 percent, as computed pursuant to the federal Truth in Lending  
15 Act. A violation of the bill may result in an administrative  
16 fine of not more than \$5,000 for each violation and the cost of  
17 investigation.